

**IRRIGATION & ELECTRICAL DISTRICTS  
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E-MAILED ONLY

May 16, 2008

Mr. Timothy Meeks, Administrator  
Western Area Power Administration  
P.O. Box 281213  
Lakewood, CO 80228-8213

Re: Proposal to study Option C concerning consolidation of balancing area for a portion of the Western Area Power Administration system

Dear Mr. Meeks.

We have previously participated in discussions and filed comments concerning various proposals that the Western Area Power Administration has been studying for consolidating balancing area functions in large part as a reaction to the increased workload that Western is experiencing because of federal reliability criteria compliance work. We appreciate the dialogue that has taken place so far and we have found it informative and helpful. Our 25 members and associate members are contractors for federal hydropower with your agency or through the Arizona Power Authority or both. Thus, any administrative adjustments you make in response to your analysis of this additional work load have a direct and significant effect on our members.

As we understand the outcome of the most recent meeting you had in Colorado on April 24, 2008, of the various options that have been laid out for consideration in response to this issue, you have opted to further explore what was labeled as Option C. That option would retain two balancing area offices in Lakewood and Phoenix while consolidating operations to the extent that each would not require a backup office but could rely on each other in case of problems or emergencies. That is certainly a more palatable option on its face than the proposal to consolidate all of these activities in Colorado from our standpoint. We, nevertheless, think there are a number of as yet unanswered questions that will affect this outcome and any possible benefits that could be derived from it by the agency and, hopefully, by its customers.

As you know, IEDA is a member of CREDA and CREDA has also submitted comments to you today. We endorse and support those comments and we look forward to working with you as this planning scenario develops.

Sincerely,

/s/

Robert S. Lynch  
Counsel and Assistant Secretary/Treasurer

RSL:psr

cc: Leslie James, CREDA  
IEDA Presidents/Chairmen and Managers

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